

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

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In re:

PROMESA
Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO
et al.,

(Jointly Administered)

Debtors.¹

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ORDER REGARDING RULINGS MADE ON THE RECORD AT THE OCTOBER 25, 2021,
URGENT STATUS CONFERENCE CONCERNING THE PROPOSED PLAN OF ADJUSTMENT

For the reasons stated in this Court's oral rulings at the October 25, 2021, conference (the "Urgent Status Conference") in connection with the *Seventh Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (Docket Entry No. 17627 in Case No. 17-3283, as may be supplemented or amended, the "Plan of Adjustment")² and the hearing scheduled to begin at **9:30 a.m. (Atlantic Standard Time) (8:30 a.m. Eastern Standard Time) on November 8, 2021** (the "Confirmation Hearing"), and *AAFAF's Urgent Motion to Extend Its Objection Deadlines with Respect to the Seventh Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al. filed by the Oversight Board*

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the "Commonwealth") (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² All docket entry numbers referenced herein pertain to Case No. 17-3283, unless specified otherwise.

(Docket Entry No. 18665, the “AAFAF Motion”), filed by the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), it is hereby ORDERED THAT:

1. The parties in interest are directed to meet and confer under the guidance of Judge Houser, as mediation team leader, and the mediation team for confidential mediation.
 - Judge Houser will file a certification by **November 2, 2021, at 5:00 p.m. (Atlantic Standard Time)** that confirms whether, in her judgment, (a) such good faith best efforts have been made, and (b) she reasonably believes that the currently scheduled Confirmation Hearing can be expected to move forward and, if not, whether rescheduling the Confirmation Hearing is likely to facilitate progress.
 - The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) shall file an informative motion in response to Judge Houser’s certification no later than **November 4, 2021, at 2:00 p.m. (Atlantic Standard Time)** that presents the Oversight Board’s position on the following issues: (i) whether the Confirmation Hearing can move forward as scheduled on November 8, 2021; (ii) whether the Plan of Adjustment can be confirmed in the absence of the legislation contemplated in the Plan of Adjustment; (iii) what alternative measures (if any) the Oversight Board proposes to take to implement the Plan of Adjustment with or without the contemplated legislation, including a detailed description of and timetable for proceedings with respect to a version of the Plan of Adjustment that the Oversight Board would consider potentially confirmable, details as to whether any amendments or resolicitation would be required, and (iv) whether confirmation could be concluded within applicable deadlines contemplated by any relevant Plan Support Agreement. If the Oversight Board is unable to describe timely steps that could reasonably be expected to facilitate confirmation in the near future, the Oversight Board must address whether further negotiations are warranted and whether the Court should enter an order to show cause as to why the Title III cases of the Commonwealth, HTA, and ERS should not be dismissed.
2. The adjournments requested by the Oversight Board in its *Informative Motion of Financial Oversight and Management Board for Puerto Rico in Respect of the Court’s Order to Appear for Urgent Status Conference [ECF No. 18643]* (Docket Entry No. 18681) and on the record at the Urgent Status Conference to adjourn the Confirmation Hearing, are DENIED. Moreover, the Oversight Board is directed not to withdraw the Plan of Adjustment until after the Oversight Board has submitted the informative motion that is due on **November 4, 2021, at 2:00 p.m. (Atlantic Standard Time)**.
3. The AAFAF Motion is DENIED. AAFAF is directed to file its objection to confirmation of the Plan and objection to the Initial Proposed Confirmation Order by **10:00 a.m. (Atlantic Standard Time) on October 26, 2021**.

4. The parties shall continue to comply with all deadlines set forth in the *Amended Order Establishing Procedures and Deadlines Concerning Objections to Confirmation and Discovery in Connection Therewith* (Docket Entry No. 18394) unless the Court orders otherwise.
5. The Oversight Board's oral application to file declarations under seal that are due on **October 25, 2021**, is DENIED. Such declarations must be filed on the record, subject to specific requests which will be considered and evaluated on the basis of governing law pertaining to materials and disclosures that are ordinarily subject to and deserving of heightened protection.
6. This order resolves Docket Entry No. 18665 in Case No 17-3283.

SO ORDERED.

Dated: October 25, 2021

/s/ Laura Taylor Swain
LAURA TAYLOR SWAIN
United States District Judge